

STATE OF UTAH

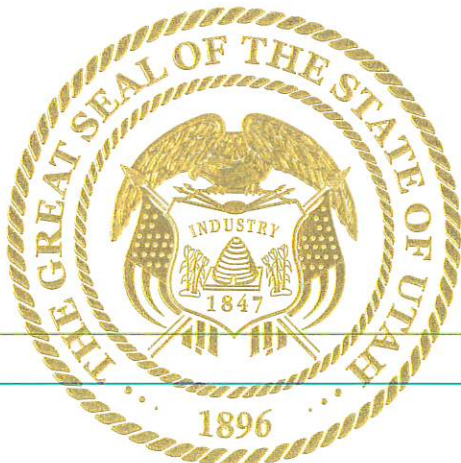


OFFICE OF THE LIEUTENANT GOVERNOR

CERTIFICATE OF INCORPORATION

I, ~~Deidre M. Henderson~~, Lieutenant Governor of the State of Utah, hereby certify that there has been filed in my office a notice of incorporation for the 10<sup>TH</sup> AND MAIN PUBLIC INFRASTRUCTURE DISTRICT located in TOOELE CITY, dated MARCH 20, 2024, complying with Section §17B-1-215, Utah Code Annotated, 1953, as amended.

Now, therefore, notice is hereby given to all whom it may concern that the attached is a true and correct copy of the notice of incorporation, referred to above, on file with the Office of the Lieutenant Governor pertaining to the 10<sup>TH</sup> AND MAIN PUBLIC INFRASTRUCTURE DISTRICT, located in TOOELE COUNTY, State of Utah.



IN TESTIMONY WHEREOF, I have hereunto set my hand, and affixed the Great Seal of the State of Utah this 10<sup>th</sup> day of April, 2024 at Salt Lake City, Utah.

A handwritten signature in black ink that reads "Deidre M. Henderson".

DEIDRE M. HENDERSON  
Lieutenant Governor



TOOELE CITY CORPORATION

RESOLUTION 2024-22

**A RESOLUTION OF THE CITY COUNCIL (THE "COUNCIL") OF TOOELE CITY, UTAH (THE "CITY"), PROVIDING FOR THE CREATION OF 10<sup>TH</sup> AND MAIN PUBLIC INFRASTRUCTURE DISTRICT (THE "DISTRICT") AS AN INDEPENDENT DISTRICT, AUTHORIZING AND APPROVING A GOVERNING DOCUMENT AND AN INTERLOCAL AGREEMENT; APPOINTING A BOARD OF TRUSTEES; AUTHORIZING OTHER DOCUMENTS IN CONNECTION THEREWITH; AND RELATED MATTERS.**

WHEREAS, a petition (the "Petition") was filed with the City requesting adoption by resolution the approval of the creation of a Public Infrastructure District pursuant to the ~~Public Infrastructure District Act, Title 17D, Chapter 4, Utah Code Annotated 1953, as amended~~ (the "PID Act") and relevant portions of the Limited Purpose Local Government Entitles - Special Districts, Title 17B (together with the PID Act, the "Act") within the City and the annexation or withdrawal of any portion of the boundaries of the District therefrom without further approval or hearings of the City or the Council, as further described in the Governing Document (as hereinafter defined) for the purpose of financing public Infrastructure costs; and

WHEREAS, pursuant to the terms of the Act, the City may create one or more public infrastructure districts by adoption of a resolution of the Council and with consent of 100% of all surface property owners proposed to be included in the District (the "Property Owners"); and

WHEREAS, the Petition, containing the consent of such Property Owners has been certified by the Recorder of the City pursuant to the Act and it is in the best interests of the Property Owners that the creation of the District be authorized in the manner and for the purposes hereinafter set forth; and

WHEREAS, the City, prior to consideration of this Resolution, held public hearings after 6:00 p.m. to receive input from the public regarding the creation of the District and the Property Owners have waived the 60-day protest period pursuant to Section 17D-4-201 of the PID Act; and

WHEREAS, the hearing on the Petition was held at the City Hall because there is no reasonable place to hold a public hearing within the District's boundaries, and the hearing at the City Hall was held as close to the applicable area as reasonably possible; and

WHEREAS, the City properly published notice of the public hearing in compliance with Section 17B-1-211(1) of the Act; and

WHEREAS, none of the Property Owners submitted a withdrawal of consent to the creation of the District before the public hearing on the Petition; and

WHEREAS, according to attestations filed with the City, each board member appointed under this Resolution is registered to vote at their primary residence and is further eligible to serve as a board member of the District under Section 17D-4-202(c) of the PID Act because they are agents of property owners within the District's boundaries (as further set forth in the Petition); and

WHEREAS, It is necessary to authorize the creation of the District under and in compliance with the laws of the State of Utah and to authorize other actions in connection therewith; and

WHEREAS, the governance of the District shall be in accordance with the PID Act and the terms of a governing document (the "Governing Document") attached hereto as Exhibit B and an Interlocal Agreement between the City and the District, attached to the Governing Document as Governing Document Exhibit D; and

WHEREAS, pursuant to the requirements of the Act, there shall be signed, authenticated, and submitted to the Office of the Lieutenant Governor of the State of Utah the District a Notice of Boundary Action attached hereto as Exhibit C (the "Boundary Notice") and a Final Entity Plat attached as Boundary Notice Appendix B (or as shall be finalized in accordance with the boundaries approved hereunder) (the "Plat").

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL, AS FOLLOWS:

1. Terms defined in the foregoing recitals shall have the same meaning when used herein. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Council and by officers of the Council directed toward the creation and establishment of the District, are hereby ratified, approved and confirmed.

2. The District is hereby created as a separate entity from the City in accordance with the Governing Document and the Act. The boundaries of the District shall be as set forth in the Governing Document and the Plat.

3. Pursuant to the terms of the PID Act, the Council does hereby approve the annexation or withdrawal of any area within the Annexation Area (as defined in the Governing Document) into or from the District, as applicable, without any further action, hearings, or resolutions of the Council or the City, upon compliance with the terms of the PID Act and the Governing Document.

4. The Council does hereby authorize the District to provide services relating to the financing and construction of public infrastructure within and without the Annexation Area upon annexation thereof into the Districts without further request of the Districts to the City to provide such service under 17B-1-407, Utah Code Annotated 1953 or resolutions of the City under 17B-1-408, Utah Code Annotated 1953.

5. It is hereby found and determined by the Council that the creation of the District is appropriate to the general welfare, order and security of the City, and the organization of the District pursuant to the PID Act is hereby approved.



6. The Governing Document and the Interlocal Agreement in the form presented to this meeting and attached hereto as Exhibit B is hereby authorized and approved and the District shall be governed by the terms thereof and applicable law.

7. The Trustees of the Board of the District shall be initially composed of the same members. The initial Board of the District is hereby appointed as follows:

- (a) Trustee 1 – Victor M. Kimball, for an initial 6-year term;
- (b) Trustee 2 – Justin M. Kimball, for an initial 6-year term; and
- (c) Trustee 3 – Jayd Peterson, for an initial 4-year term.
- (d) Trustee 4 – David M. Kimball, for an initial 4-year term.
- (e) Trustee 5 – Ryan V. Kimball, for an initial 4-year term.

(f) Such terms shall commence on the date of issuance of a Certificate of Creation by the Office of the Lieutenant Governor of the State of Utah.

8. The Council does hereby authorize the Mayor or a Councilmember to execute the Boundary Notice in substantially the form attached as Exhibit C, the Plats, and such other documents as shall be required to accomplish the actions contemplated herein on behalf of the Council for submission to the Office of the Lieutenant Governor of the State of Utah.

9. Prior to recordation of certificates of creation for the District, the Council does hereby authorize the Mayor, a Councilmember, or the City Attorney, to make any corrections, deletions, or additions to the Governing Document, the Interlocal Agreement, and the Boundary Notice or any other document herein authorized and approved (including, but not limited to, corrections to the property descriptions therein contained) which may be necessary to conform the same to the intent hereof, to correct errors or omissions therein, to complete the same, to remove ambiguities therefrom, or to conform the same to other provisions of said instruments, to the provisions of this Resolution or any resolution adopted by the Council or the provisions of the laws of the State of Utah or the United States.

10. The Board of Trustees of the District (the "District Board") is hereby authorized and directed to record such Governing Document with the recorder of the Tooele County within thirty (30) days of the issuance of the Certificate of Creation by the Office of the Lieutenant Governor of the State of Utah.

11. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

12. All acts, orders and resolutions, and parts thereof in conflict with this Resolution be, and the same are hereby, rescinded.

13. This resolution shall take effect immediately provided that, in the event that the Plat is not finalized for submission to the Office of the Lieutenant Governor until a date that is more than thirty (30) days after adoption of this Resolution, the effective date of this Resolution will be deemed to be the date the Plat is finalized, as certified in writing by any one of the Mayor, a Councilperson, or the City Attorney.

IN WITNESS WHEREOF, this Resolution is passed by the Tooele City Council  
this 20 day of March, 2024.

TOOELE CITY COUNCIL

(For)

(Against)

*[Signature]*  
Melodi M. Archis

\_\_\_\_\_  
\_\_\_\_\_

*[Signature]*  
Justin Brady

\_\_\_\_\_  
\_\_\_\_\_

*[Signature]*  
Alan [unclear]

\_\_\_\_\_  
\_\_\_\_\_

*[Signature]*  
[unclear]

ABSTAINING: \_\_\_\_\_

TOOELE CITY MAYOR

(Approved)

(Disapproved)

*[Signature]*  
Debra E. [unclear]

\_\_\_\_\_

ATTEST:

*[Signature]*  
Michelle Y. Pitt, City Recorder



Approved as to Form:

*[Signature]*  
Roger Evans Baker, Tooele City Attorney

Exhibit A

Certificate of Compliance with Open Meeting Law



CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, Michelle Pitt, the undersigned City Recorder of Tooele City, Utah (the "City"), do hereby certify that I gave written public notice of the agenda, date, time and place of the regular meeting held by the Council (the "Council") on March 20, 2024, not less than twenty-four (24) hours in advance of the meeting. The public notice was given in compliance with the requirements of the Utah Open and Public Meetings Act, Section 52-4-202, Utah Code Annotated 1953, as amended, by:

(a) causing a Notice to be posted at the City's principal offices at least twenty-four (24) hours prior to the convening of the meeting, said Notice having continuously remained so posted and available for public inspection until the completion of the meeting;

(b) causing a copy of such Notice to be published on the Utah Public Notice Website (<http://pmn.utah.gov>) at least twenty-four (24) hours prior to the convening of the meeting; and

(c) causing a copy of such notice to be posted on the City's official website at least twenty-four (24) hours prior to the convening of the meeting.

In addition, the Notice of 2024 Annual Meeting Schedule for the Council was given specifying the date, time and place of the regular meetings of the Council of the City to be held during the year, by causing said Notice to be posted at least annually (a) on the Utah Public Notice Website created under Section 63A-16-601, Utah Code Annotated 1953, as amended, (b) on the City's official website and (c) in a public location within the City that is reasonably likely to be seen by residents of the City.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this March 20, 2024.

By:  \_\_\_\_\_  
City Recorder

Exhibit B  
Governing Document

**GOVERNING DOCUMENT  
FOR  
10<sup>TH</sup> AND MAIN PUBLIC INFRASTRUCTURE DISTRICT  
TOOELE CITY, UTAH**

Prepared

by

York Howell, LLC  
South Jordan, Utah

March 20, 2024

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<u>EXHIBIT B</u>	Tooele City Vicinity Map
<u>EXHIBIT C</u>	Initial District Boundaries Map and Annexation Area Map
<u>EXHIBIT D</u>	Interlocal Agreement between the District and Tooele City



## I. INTRODUCTION

### A. Purpose and Intent.

The District is an independent unit of local government, separate and distinct from the City, and, except as may otherwise be provided for by state or local law or this Governing Document, its activities are subject to review by the City only insofar as they may deviate in a material matter from the requirements of the Governing Document. It is intended that the District will provide a part or all of the Public Improvements for the use and benefit of all anticipated inhabitants and taxpayers of the District. The primary purpose of the District will be to finance the construction of these Public Improvements. The District is not being created to provide any ongoing operations and maintenance services.

### B. Need for the District.

There are currently no other governmental entities, including the City, located in the immediate vicinity of the District that consider it desirable, feasible, or practical to undertake the planning, design, acquisition, construction installation, relocation, redevelopment, and financing of the Public Improvements needed for the Project. Formation of the District is therefore necessary in order for the Public Improvements required for the Project to be provided in the most economic manner possible.

### C. Objective of the City Regarding District's Governing Document.

The City's objective in approving the Governing Document for the District is to authorize the District to provide for the planning, design, acquisition, construction, installation, relocation, and redevelopment of the Public Improvements from the proceeds of Debt to be issued by the District. All Debt is expected to be repaid by taxes imposed and collected for no longer than the Maximum Debt Mill Levy Imposition Term for residential properties and at a tax mill levy no higher than the Maximum Debt Mill Levy for commercial and residential properties, and/or repaid by Assessments. Debt, which is issued within these parameters and, as further described in the Financial Plan, will insulate property owners from excessive tax burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt.

This Governing Document is intended to establish a limited purpose for the District and explicit financial constraints that are not to be violated under any circumstances. The primary purpose is to provide for the Public Improvements associated with development and regional needs. Operational activities are allowed, but only through an Interlocal Agreement with the City or relevant public entity.

It is the intent of the District to dissolve upon payment or defeasance of all Debt incurred or upon a determination that adequate provision has been made for the payment of all Debt, and if the District has authorized operating functions under an Interlocal Agreement, to retain only the power necessary to impose and collect taxes or Fees to pay for these costs.

The District shall be authorized to finance the Public Improvements that can be funded from Debt to be repaid from Assessments or from tax revenues collected from a mill levy which

shall not exceed the Maximum Debt Mill Levy on taxable properties and which shall not exceed the Maximum Debt Mill Levy Imposition Term on taxable properties (or repaid from a combination of Assessments and a mill levy). It is the intent of this Governing Document to assure to the extent possible that no taxable property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy in amount and that no taxable property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy Imposition Term in duration even under bankruptcy or other unusual situations. Generally, the cost of Public Improvements that cannot be funded within these parameters are not costs to be paid by the District.

D. Applicability. This Governing Document is not intended to and does not create any rights or remedies in favor of any party other than the City. Failure of the District to comply with any terms or conditions of this Governing Document shall not relieve any party of an obligation to the District or create a basis for a party to challenge the incorporation or operation of the District, or any Debt issued by the District.

## II. DEFINITIONS

In this Governing Document, the following terms shall have the meanings indicated below, unless the context hereof clearly requires otherwise:

Annexation Area Boundaries: means the boundaries of the area described in the Annexation Area Map which have been approved by the City for annexation into or withdrawal from the District upon the meeting of certain requirements.

Annexation Area Boundary Map: means the map attached hereto as Exhibit C, describing the property proposed for annexation within the District.

Approved Development Plan: means a preliminary development plan or other process established by the City for identifying, among other things, Public Improvements necessary for facilitating development for property within the District Area as approved by the City pursuant to the City Code and as amended pursuant to the City Code from time to time. For purposes of this Governing Document, the Development and Participation Agreement for the Project approved by the RDA shall constitute an Approved Development Plan.

Assessment: means the levy of an assessment secured by a lien on property within a District to pay for the costs of Public Improvements benefitting such property, as may be levied pursuant to the Assessment Act.

Assessment Act: means Title 11, Chapter 42, Utah Code as may be amended from time to time.

Board: means the board of trustees of the District.

Bond, Bonds, or Debt: means bonds or other obligations, including loans of any property owner, for the payment of which the District has promised to impose an ad valorem property tax mill levy, and/or collect Assessments.

City: means Tooele City, Utah.

City Code: means the City Code of Tooele City, Utah.

City Council: means the City Council of Tooele City, Utah.

C-PACE Act: means Title 11, Chapter 42a of the Utah Code, as amended from time to time and any successor statute thereto.

C-PACE Bonds: means bonds, loans, notes, or other structures and obligations of the District issued pursuant to the C-PACE Act, including refunding C-PACE Bonds.

C-PACE Assessments: means assessments levied under the C-PACE Act.

Developer: means collectively Tally Three, LLC, MRI Investment, LLC, Golden Heights, LLC and 1030 Salt Lake City, LLC.

District: means 10<sup>th</sup> and Main Public Infrastructure District.

District Act: means the Special District Act and the PID Act.

District Area: means the property within the Initial District Boundaries Map and the Annexation Area Map.

Development and Participation Agreement: means that certain Development and Participation Agreement dated February 5, 2020 between Developer and the RDA.

End User: means any owner, or tenant of any owner, of any taxable improvement within the District, who is intended to become burdened by the imposition of ad valorem property taxes subject to the Maximum Debt Mill Levy. By way of illustration, a resident homeowner, renter, commercial property owner, or commercial tenant is an End User. The business entity that constructs homes or commercial structures is not an End User.

Fees: means any fee imposed by the District for administrative services provided by the District.

Financial Plan: means the Financial Plan described in Section VIII which describes (i) the potential means whereby the Public Improvements may be financed; (ii) how the Debt is expected to be incurred; and (iii) the estimated operating revenue derived from property taxes for the first budget year.

General Obligation Debt: means a Debt that is directly payable from and secured by ad valorem property taxes that are levied by the District and does not include Limited Tax Debt.

Governing Document: means this Governing Document for the District approved by the City Council Commission.

Governing Document Amendment: means an amendment to the Governing Document approved by the City Council in accordance with the City's ordinance and the applicable state law and approved by the Board in accordance with applicable state law.

Initial District Boundaries: means the boundaries of the area described in the Initial District Boundaries Map and more particularly described by the legal descriptions found in Exhibit A.

Initial District Boundary Map: means the map attached hereto as Exhibit C, describing the District's initial boundaries.

Limited Tax Debt: means a debt that is directly payable from and secured by ad valorem property taxes that are levied by the District which may not exceed the Maximum Debt Mill Levy.

Maximum Debt Mill Levy: means the maximum mill levy the District is permitted to impose for payment of Debt as set forth in Section VIII.C below.

Maximum Debt Mill Levy Imposition Term: means the maximum term for imposition of a mill levy for any given series of bonds as set forth in Section VIII.D below.

Municipal Advisor: means a consultant that: (i) advises Utah governmental entities on matters relating to the issuance of securities by Utah governmental entities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities; (ii) shall be an individual listed as a public finance advisor in the Bond Buyer's Municipal Market Place; and (iii) is not an officer or employee of the District.

Project: means the development or property commonly referred to as 10<sup>th</sup> and Main.

PID Act: means Title 17D, Chapter 4 of the Utah Code, as amended from time to time and any successor statute thereto.

Public Improvements: means a part or all of the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped, and financed as generally described in the District Act, except as specifically limited in Section V below to serve the future taxpayers and inhabitants of the District Area as determined by the Board.

RDA: The Redevelopment Agency of Tooele City, Utah a political subdivision of the State of Utah.

Special District Act: means Title 17B of the Utah Code, as amended from time to time.

State: means the State of Utah.

Taxable Property: means real or personal property within the District Area subject to ad valorem taxes imposed by the District.

Trustee: means a member of the Board.

Utah Code: means the Utah Code Annotated 1953, as amended.

### III. BOUNDARIES

The area of the Initial District Boundaries includes approximately 33 acres, and the Annexation Area Boundaries includes approximately 33 acres (including the entirety of the Initial District Boundaries). A legal description of the Initial District Boundaries and the Annexation Area Boundaries is attached hereto as Exhibit A. A vicinity map is attached hereto as Exhibit B. A map of the Initial District Boundaries and Annexation Area Map is attached hereto as Exhibit C. It is anticipated that the District's boundaries may change from time to time as it undergoes annexations and withdrawals pursuant to Section 17D-4-201, Utah Code, subject to Article V below.

### IV. PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION

The District Area consists of approximately 33 acres of unimproved land.

Approval of this Governing Document by the City does not imply approval of the development of a specific area within the District, nor does it imply approval of the number of the total site/floor area of commercial or industrial buildings identified in this Governing Document or any of the exhibits attached thereto, unless the same is contained within an Approved Development Plan.

### V. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS, AND SERVICES

#### A. Powers of the District and Governing Document Amendment.

The District shall have the power and authority to provide the Public Improvements within and without the boundaries of the District as such power and authority is described in the District Act, and other applicable statutes, common law and the Constitution, subject to the limitations set forth herein.

1. Operations and Maintenance Limitation. The purpose of the District is to plan for, design, acquire, construct, install, relocate, redevelop, and finance the Public Improvements. The District shall dedicate the Public Improvements to the City or other appropriate public entity or owners association in a manner consistent with the Approved Development Plan and other rules and regulations of the City and applicable provisions of the City Code. The District shall be authorized, but not obligated, to own, operate, and maintain Public Improvements not otherwise required to be dedicated to the City or other public entity, including, but not limited to, street improvements (including roads, curbs, gutters, culverts, sidewalks, bridges, parking facilities, paving, lighting, grading, landscaping, and other street improvements), traffic and safety controls, retaining walls, park and recreation improvements and facilities, trails, open space, landscaping, drainage improvements (including detention and retention ponds, trickle channels, and other drainage facilities), irrigation system improvements (including wells, pumps, storage



facilities, and distribution facilities), and all necessary equipment and appurtenances incident thereto.

2. Reserved.

3. Construction Standards Limitation. The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City and of other governmental entities having proper jurisdiction. The District will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work.

4. Procurement. The District shall be subject to the Utah Procurement Code, Title 63G, Chapter 6a. Notwithstanding this requirement, the Districts may acquire completed or partially completed improvements for fair market value as reasonably determined by an engineer who certifies as part of such fair market value determination that they are independent of such District.

5. Privately Placed Debt. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of a Municipal Advisor substantially as follows:

We are [I am] a Municipal Advisor within the meaning of the District's Governing Document.

We [I] certify that (1) the net effective interest rate to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

6. Annexation and Withdrawal.

(a) The District shall not include within any of their boundaries any property outside the District Area without the prior written consent of the City. The City, by approval of this Governing Document, has consented to the annexation of any area within the Annexation Area Boundaries into the District. Such area may only be annexed upon the District obtaining consent of all property owners and registered voters, if any, within the area proposed to be annexed and the passage of a resolution of the Board approving such annexation.

(b) The City, by approval of this Governing Document, has consented to the withdrawal of any area within the District Boundaries from the District. Such area may only be withdrawn upon the District obtaining consent of all property owners and registered voters, if any, within the area proposed to be withdrawn and the passage of a resolution of the Board approving such annexation.

(c) Any annexation or withdrawal shall be in accordance with the requirements of the PID Act.

(d) Upon any annexation or withdrawal, the District shall provide the City a description of the revised District Boundaries.

(e) Annexation or withdrawal of any area in accordance with this Section shall not constitute an amendment of this Governing Document.

7. Overlap Limitation. Without the written consent of the City, the District shall not consent to the organization of any other public infrastructure district organized under the PID Act within the District Area which will overlap the boundaries of the District unless the aggregate mill levy for payment of Debt of such proposed districts will not at any time exceed the Maximum Debt Mill Levy of the District.

8. Initial Debt Limitation. On or before the effective date of approval by the City of an Approved Development Plan, the District shall not: (a) issue any Debt; nor (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds; nor (c) impose and collect any Assessments used for the purpose of repayment of Debt.

9. Total Debt Issuance Limitation. The District shall not issue Limited Tax Debt in excess of Eighteen Million Dollars (\$18,000,000). This amount excludes any portion of bonds issued to refund a prior issuance of debt by the District. For any capital appreciation Debt issued by the District, only the par amount of such Debt at issuance (and not the value at conversion) of such Debt shall count against this amount. Any Assessment Debt or C-PACE Bonds do not count against the foregoing limitation and there is no limit to the amount of Assessment Debt or C-PACE Bonds the District may issue so long as such issuances are in accordance with the provisions of the applicable Assessment Act.

10. Bankruptcy Limitation. All of the limitations contained in this Governing Document, including, but not limited to, those pertaining to the Maximum Debt Mill Levy, Maximum Debt Mill Levy Imposition Term, and the Fees have been established under the authority of the City to approve a Governing Document with conditions pursuant to Section 17D-4-201(5), Utah Code. It is expressly intended that such limitations:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Governing Document Amendment; and

(b) Are, together with all other requirements of Utah law, included in the "political or governmental powers" reserved to the state under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the "regulatory or electoral approval necessary under applicable non-bankruptcy law" as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

(c) Any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Debt Mill Levy and the Maximum Debt Mill Levy

Imposition Term, shall be deemed a material modification of this Governing Document and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the City as part of a Governing Document Amendment.

11. Governing Document Amendment Requirement.

This Governing Document has been designed with sufficient flexibility to enable the District to provide required facilities under evolving circumstances without the need for numerous amendments. Subject to the limitations and exceptions contained herein, this Governing Document may be amended by passage of a resolution of the City and the applicable District approving such amendment.

B. Preliminary Engineering Survey.

~~The District shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, maintenance, and financing of the Public Improvements within and without the boundaries of the District, to be more specifically defined in an Approved Development Plan. An estimate of the costs of the Public Improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained or financed was prepared based upon a preliminary engineering survey and estimates derived from the zoning on the property in the District Area and is approximately \$15,000,000.~~

All of the Public Improvements will be designed in such a way as to assure that the Public Improvements standards will be compatible with those of the City and/or any other applicable public entity and shall be in accordance with the requirements of the Approved Development Plan. All construction cost estimates are based on the assumption that construction conforms to applicable local, state, or federal requirements.

**VI. THE BOARD OF TRUSTEES**

A. Board Composition. The Board shall be composed of five (5) Trustees who shall be appointed by the City Council pursuant to the PID Act. All Trustees shall be at large seats. Trustee terms for the District shall be staggered with initial terms as follows: Trustees 3, 4, and 5 shall serve an initial term of four (4) years; Trustees 1 and 2 shall serve an initial term of six (6) years. All terms shall commence on the date of issuance of a Certificate of Creation by the Office of the Lieutenant Governor of the State of Utah. In accordance with the PID Act, appointed Trustees shall not be required to be residents of such Districts.

B. Transition to Elected Board. The Board shall continue to be appointed by the City Council and comprised of owners of land or agents and officers of an owner of land within the boundaries of the District. Any property owner owning at least one-fifth of the taxable value of the property within such District shall be entitled to nominate one trustee seat for each one-fifth value (provided that the City retains discretion to reject any nominee and request a new nominee from such property owner).

No transition pursuant to this Section shall become effective until the scheduled regular election of the District in conjunction with the expiration of the then current term.

C. Reelection and Reappointment. Upon the expiration of a Trustee's respective term, the Board shall continue to be appointed by the City Council and comprised of owners of land or agents and officers of an owner of land within the boundaries of the District. Any property owner owning at least one-fifth of the taxable value of the property within the District shall be entitled to nominate one trustee seat for each one-fifth value (provided that the City retains discretion to reject any nominee and request a new nominee from such property owner).

D. Vacancy. Any vacancy on the Board shall be filled pursuant to the Special District Act.

E. Compensation. Unless otherwise permitted by the PID Act, only Trustees who are residents of the District may be compensated for services as Trustee. Such compensation shall be in accordance with state law.

F. Conflicts of Interest. Trustees shall disclose all conflicts of interest. Any Trustee who discloses such conflicts in accordance with Section 17D-4-202 and Section 67-16-9, Utah Code, shall be entitled to vote on such matters.

## VII. RESERVED

## VIII. FINANCIAL PLAN

### A. General.

The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation, and/or redevelopment of the Public Improvements from its revenues and by and through the proceeds of Debt to be issued by the District. In addition, the District shall be permitted to finance the prepayment of impact fees for the Project. The Financial Plan for the District shall be to issue such Debt as the District can reasonably pay within the Maximum Debt Mill Levy Imposition Term from revenues derived from the Maximum Debt Mill Levy, Assessments and other legally available revenues. The total Limited Tax Debt that the District shall be permitted to issue shall not exceed Eighteen Million Dollars (\$18,000,000) and shall be permitted to be issued on a schedule and in such year or years as the District determine shall meet the needs of the Financial Plan referenced above and phased to serve development as it occurs. This amount excludes any portion of bonds issued to refund a prior issuance of debt by the District. For any capital appreciation Debt issued by the District, only the par amount of such Debt at issuance (and not the value at conversion) of such Debt shall count against this amount. Any Assessment Debt or C-PACE Bonds do not count against the foregoing limitation and there is no limit to the amount of Assessment Debt or C-PACE Bonds the District may issue so long as such issuances are in accordance with the provisions of the applicable Assessment and/or C-PACE Acts. All bonds and other Debt issued by the District may be payable from any and all legally available revenues of the District, including general ad valorem taxes to be imposed upon all Taxable Property within the District and Assessments. The District may also rely upon various other revenue sources authorized by law. These will include the power to assess Fees, penalties, or charges, including as provided in Section 17D-4-304, Utah Code, as amended from time to time. In addition the District may also rely on the revenues generated by the Development and Participation Agreement between the Developer and the RDA whereby the Agency agreed to pay



the Developer (1) "Guaranteed Payments" of \$150,000 per year for 15 years and (2) 95% of all Tax Increment Revenues generated by and received by the RDA annually under interlocal agreements between the RDA, City and the school district subject to certain limitations to repay the Debt.

B. Maximum Voted Interest Rate and Maximum Underwriting Discount.

The interest rate on any Debt is expected to be the market rate at the time the Debt is issued. In the event of a default, the proposed maximum interest rate on any Debt is not expected to exceed eighteen percent (18%). The proposed maximum underwriting discount will be five percent (5%). Debt, when issued, will comply with all relevant requirements of this Governing Document, state law, and federal law as then applicable to the issuance of public securities.

C. Maximum Debt Mill Levy.

~~(a) The "Maximum Debt Mill Levy" shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District for payment of Limited Tax Debt shall be 0.0100 per dollar of taxable value of taxable property in the District; provided that such levy shall be subject to adjustment as provided in Section 17D-4-301(8), Utah Code. Such Maximum Debt Mill Levy may also be used to pay administrative expenses of the District.~~

(b) Such Maximum Debt Mill Levy may only be amended pursuant to a Governing Document Amendment and as provided in Section 17D-4-202, Utah Code.

D. Maximum Debt Mill Levy Imposition Term.

Each bond issued by the District shall mature within thirty-one (31) years from the date of issuance of such bond. In addition, no mill levy may be imposed for the repayment of a series of bonds after a period exceeding forty (40) years from the year of the first imposition of a mill levy with respect to such bond (the "Maximum Debt Mill Levy Imposition Term").

E. Debt Repayment Sources.

The District may impose a mill levy on taxable property within its boundaries as a primary source of revenue for repayment of debt service. The District may also rely upon various other revenue sources authorized by law. At the District's discretion, these may include the power to assess Assessments, penalties, or charges, including as provided in Section 17D-4-304, Utah Code, as amended from time to time. Except as described in Section VIII.C(a), the debt service mill levy in the District shall not exceed the Maximum Debt Mill Levy or, the Maximum Debt Mill Levy Imposition Term, except for repayment of General Obligation Debt. The District may also rely on revenues generated from the Development and Participation Agreement with the RDA as a source of revenue for repayment of debt service.

The District shall not be permitted to charge an End User the costs of any portion of a Public Improvement for which such End User has already paid or is presently obligated to pay through any combination of mill levy, Assessment, or impact fee. This provision shall not prohibit



the division of costs between mill levies, Assessments, or impact fees, but is intended to prevent double taxation of End Users for the costs of Public Improvements.

F. Debt Instrument Disclosure Requirement.

In the text of each Bond and any other instrument representing and constituting Debt, the District shall set forth a statement in substantially the following form:

By acceptance of this instrument, the owner of this Bond agrees and consents to all of the limitations in respect of the payment of the principal of and interest on this Bond contained herein, in the resolution of the District authorizing the issuance of this Bond and in the Governing Document for creation of the District.

Similar language describing the limitations in respect of the payment of the principal of and interest on Debt set forth in this Governing Document shall be included in any document used for the offering of the Debt for sale to persons, including, but not limited to, a developer of property within the boundaries of the District.

G. Security for Debt.

The District shall not pledge any revenue or property of the City as security for the indebtedness set forth in this Governing Document. Approval of this Governing Document shall not be construed as a guarantee by the City of payment of any of the District's obligations; nor shall anything in the Governing Document be construed so as to create any responsibility or liability on the part of the City in the event of default by the District in the payment of any such obligation.

H. District's Operating Costs.

The estimated cost of acquiring land, engineering services, legal services and administrative services, together with the estimated costs of the District's organization and initial operations, are anticipated to be Fifty Thousand Dollars (\$50,000), which will be eligible for reimbursement from Debt proceeds.

In addition to the capital costs of the Public Improvements, the District will require operating funds for administration and to plan and cause the Public Improvements to be constructed. The first year's operating budget is estimated to be approximately Fifty Thousand Dollars (\$50,000) which is anticipated to be derived from property taxes and other revenues and may also be financed for a period of time until District revenues are anticipated to be sufficient to bear such costs. The District may also enter into a reimbursement agreement with the developer of the Project to reimburse such developer for any such administrative costs paid by developer.

I. Bond and Disclosure Counsel; Municipal Advisor.

It is the intent of the City that the District shall use competent and nationally recognized bond and disclosure counsel and Municipal Advisor with respect to District Bonds to ensure proper issuance and compliance with this Governing Document.

**IX. ANNUAL REPORT**

**A. General.**

The District shall be responsible for submitting an annual report to the City Administration's Office no later than 210 days following the end of the District's fiscal year, beginning with fiscal year 2024.

**B. Reporting of Significant Events.**

The annual report shall include information as to any of the following:

1. Boundary changes made or proposed to the District's boundary as of the last day of the prior fiscal year, if changed.
2. List of current interlocal agreements, if changed (to be delivered to the Creating Entity upon request);
3. Names and terms of Board members and officers;
4. District office contact information, if changed;
5. Rules and regulations of the District regarding bidding, conflict of interest, contracting, and other governance matters, if changed;
6. A summary of any litigation which involves the District Public Improvements as of the last day of the prior fiscal year, if any;
7. Status of the District's construction of the Public Improvements as of December 31 of the prior year and listing all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of the last day of the prior fiscal year;
8. A summary of the total debt authorized and total debt issued by the District as well as any presently planned debt issuances;
9. Current year budget including a description of the Public Improvements to be constructed in such year;
10. Financial statements of the District for the most recent completed fiscal year (such statements shall be audited if required by bond documents or statute);
11. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument; and

12. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

#### **X. DISSOLUTION**

Upon an independent determination of the District Board that the purposes for which the District was created has been accomplished, the District shall file a petition for dissolution, pursuant to the applicable state statutes. In no event shall a dissolution occur until the District has provided for the payment or discharge of all of their outstanding indebtedness and other financial obligations as required pursuant to state statutes and disbursed of all assets of the District.

#### **XI. DISCLOSURE TO PURCHASERS**

Within thirty (30) days of the Office of the Lieutenant Governor of the State of Utah issuing a Certificate of Creation, the Board shall record a notice with the recorder of Tooele County. Such notice shall (a) contain a description of the boundaries of the District, (b) state that a copy of this Governing Document is on file at the office of the City, (c) state that the District may finance and repay infrastructure and other improvements through the levy of a property tax; (d) state the Maximum Debt Mill Levy of the District; and (e) if applicable, stating that the debt may convert to general obligation debt and outlining the provisions relating to conversion. Such notice shall further be filed with the City.

In addition, the Developer and the Board shall ensure that the Developer, homebuilders, commercial developers, and commercial lessors, as applicable, disclose the following information to initial resident homeowners, renters, commercial property owners, and/or commercial tenants:

- (1) All of the information in the first paragraph of this Section XI;
- (2) A disclosure outlining the impact of any applicable property tax, in substantially the following form:

"Under the maximum property tax rate of the District, for every \$100,000 of taxable value, there would be an additional annual property tax of \$1,000 for the duration of the District's Bonds."

- (3) Such disclosures shall be contained on a separate-colored page of the applicable closing or lease documents and shall require a signature of such end user acknowledging the foregoing.

#### **XII. INTERLOCAL AGREEMENT**

The form of the Interlocal Agreement required by the City Code, relating to the limitations imposed on the District's activities, is attached hereto as Exhibit D. The District shall approve the Interlocal Agreement in the form attached as Exhibit D at its first Board meeting after its creation. Failure of the District to execute the Interlocal Agreement as required herein shall constitute a material modification and shall require a Governing Document Amendment. The City Council shall approve the Interlocal Agreement in the form attached as Exhibit D at the public hearing approving the Governing Document.

## EXHIBIT A

### Legal Descriptions

A Public Infrastructure District being all of those four (4) entire tracts of land described in that Special Warranty Deed recorded March 5, 2019 as Entry No. 482056 and that Special Warranty Deed recorded June 3, 2022 as Entry No. 573955 in the Office of the Tooele County Recorder. Said parcel of land is located in the Northeast Quarter of Section 21, Township 3 South, Range 4 West, Salt Lake Base and Meridian and is described as follows:

**Beginning** at point on the southerly right of way line of 1000 North Street, which is 2492.42 feet S. 89°43'42" W. along the Section line and 59.70 feet South from the Northeast Corner of said Section 21; thence along said southerly right-of-way line of 1000 North Street (State Road - 112) and westerly right-of-way line of Main Street (Highway 36) described in that Deed of Dedication recorded November 8, 2012 as Entry No. 376987 in the Office of said Recorder the following three (3) courses: 1) N. 89°45'57" E. 1,081.85 feet to a point of non-tangency with a 39.00 - foot radius curve to the right, concave southwesterly (Radius point bears S. 20°23'55" W.); 2) Southeasterly 25.84 feet along the arc of said curve and right-of-way, through a central angle of 37°58'00" (Chord bears S. 50°37'05" E. 25.37 feet); 3) S. 00°35'45" W. 112.15 feet to the northerly boundary line of that parcel of land described in that Special Warranty Deed recorded November 1, 2012 as Entry No. 376675 in the Office of said Recorder; thence along said parcel the following seven (7) courses: 1) N. 89°20'35" W. 308.79 feet; 2) S. 00°35'41" W. 303.70 feet; 3) S. 89°20'35" E. 68.04 feet; 4) S. 00°39'25" W. 25.00 feet; 5) S. 89°20'35" E. 180.00 feet; 6) N. 00°39'25" E. 25.00 feet; 7) S. 89°20'35" E. 60.68 feet to said westerly right-of-way line of Main Street (Highway 36); thence S. 01°32'45" W. 712.55 feet along said westerly right-of-way line; thence N. 89°14'13" W. 301.31 feet; thence S. 01°43'17" W. 163.83 feet; thence S. 89°45'22" W. 916.84 feet to the easterly line of Shetland Meadows No. 3 recorded December 5, 1997 as Entry No. 104101 in the Office of the Tooele County Recorder; thence N. 00°14'12" W. 334.77 feet along said easterly line of Shetland Meadows No. 3 and Copper Canyon PUD Phase 2B recorded October 3, 2007 as Entry No. 294722 in the Office of said Recorder to the easterly right-of-way of 200 East Street and a point of non-tangency with a 230.00 - foot radius curve to the left, concave westerly (Radius point bears N. 55°01'51" W.); thence along said right-of-way line the following two (2) courses: 1) Northerly 141.20 feet along the arc of said curve, through a central angle of 35°10'32" (Chord bears N. 17°22'54" E. 139.00 feet); 2) N. 00°12'22" W. 832.92 feet to and along said Copper Canyon PUD Phase 2B and Copper Canyon PUD Phase 2A recorded September 13, 2007 as Entry No. 293388 in the Office of said Recorder; thence N. 89°45'56" E. 108.06 feet; thence N. 00°15'09" W. 2.66 feet to the **Point of Beginning**.

The above-described parcel of land contains 32.74 acres, more or less.

### Annexation Area Boundaries

A Public Infrastructure District being all of those four (4) entire tracts of land described in that Special Warranty Deed recorded March 5, 2019 as Entry No. 482056 and that Special Warranty Deed recorded June 3, 2022 as Entry No. 573955 in the Office of the Tooele County Recorder. Said parcel of land is located in the Northeast Quarter of Section 21, Township 3 South, Range 4 West, Salt Lake Base and Meridian and is described as follows:

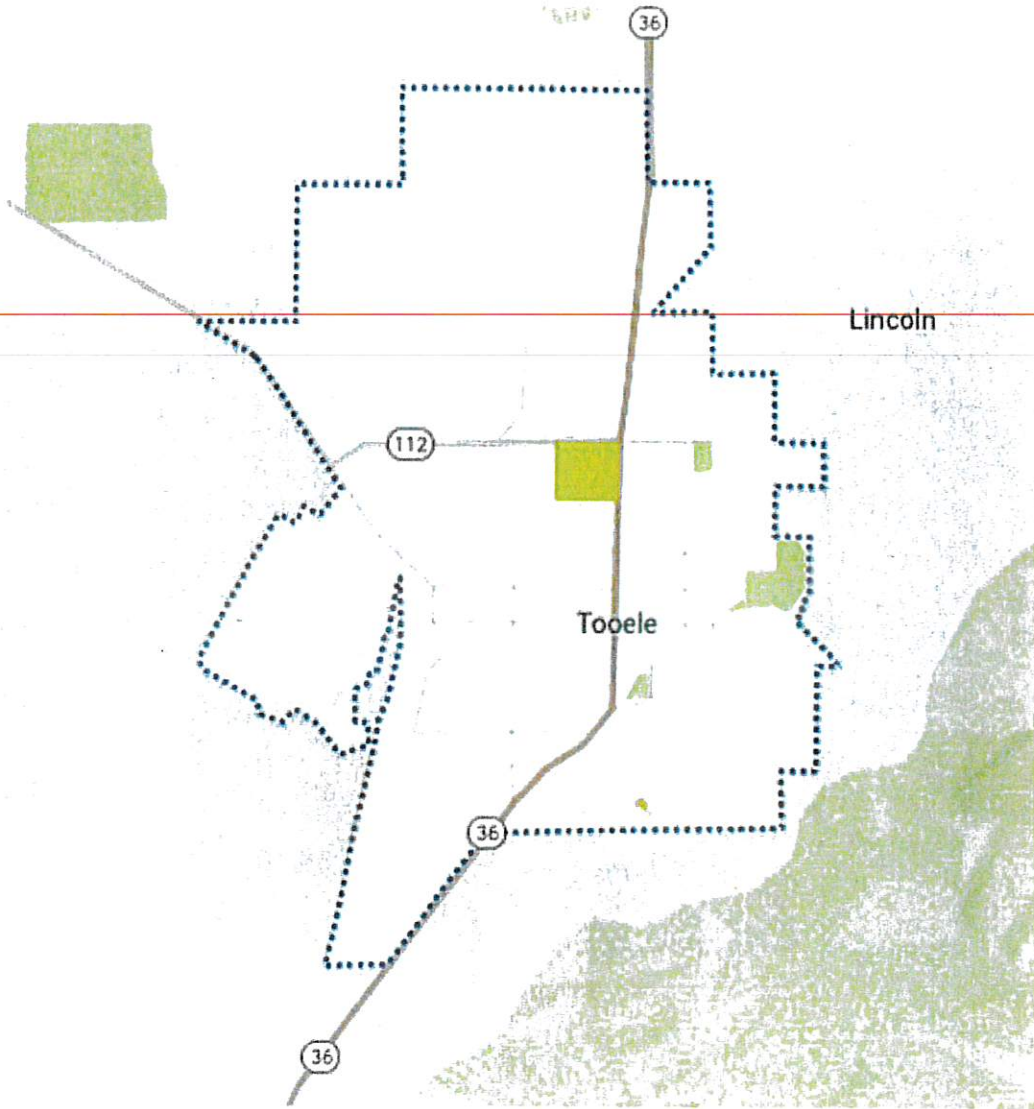
**Beginning** at point on the southerly right of way line of 1000 North Street, which is 2492.42 feet S.  $89^{\circ}43'42''$  W. along the Section line and 59.70 feet South from the Northeast Corner of said Section 21; thence along said southerly right-of-way line of 1000 North Street (State Road - 112) and westerly right-of-way line of Main Street (Highway 36) described in that Deed of Dedication recorded November 8, 2012 as Entry No. 376987 in the Office of said Recorder the following three (3) courses: 1) N.  $89^{\circ}45'57''$  E. 1,081.85 feet to a point of non-tangency with a 39.00 - foot radius curve to the right, concave southwesterly (Radius point bears S.  $20^{\circ}23'55''$  W.); 2) Southeasterly 25.84 feet along the arc of said curve and right-of-way, through a central angle of  $37^{\circ}58'00''$  (Chord bears S.  $50^{\circ}37'05''$  E. 25.37 feet); 3) S.  $00^{\circ}35'45''$  W. 112.15 feet to the northerly boundary line of that parcel of land described in that Special Warranty Deed recorded November 1, 2012 as Entry No. 376675 in the Office of said Recorder; thence along said parcel the following seven (7) courses: 1) N.  $89^{\circ}20'35''$  W. 308.79 feet; 2) S.  $00^{\circ}35'41''$  W. 303.70 feet; 3) S.  $89^{\circ}20'35''$  E. 68.04 feet; 4) S.  $00^{\circ}39'25''$  W. 25.00 feet; 5) S.  $89^{\circ}20'35''$  E. 180.00 feet; 6) N.  $00^{\circ}39'25''$  E. 25.00 feet; 7) S.  $89^{\circ}20'35''$  E. 60.68 feet to said westerly right-of-way line of Main Street (Highway 36); thence S.  $01^{\circ}32'45''$  W. 712.55 feet along said westerly right-of-way line; thence N.  $89^{\circ}14'13''$  W. 301.31 feet; thence S.  $01^{\circ}43'17''$  W. 163.83 feet; thence S.  $89^{\circ}45'22''$  W. 916.84 feet to the easterly line of Shetland Meadows No. 3 recorded December 5, 1997 as Entry No. 104101 in the Office of the Tooele County Recorder; thence N.  $00^{\circ}14'12''$  W. 334.77 feet along said easterly line of Shetland Meadows No. 3 and Copper Canyon PUD Phase 2B recorded October 3, 2007 as Entry No. 294722 in the Office of said Recorder to the easterly right-of-way of 200 East Street and a point of non-tangency with a 230.00 - foot radius curve to the left, concave westerly (Radius point bears N.  $55^{\circ}01'51''$  W.); thence along said right-of-way line the following two (2) courses: 1) Northerly 141.20 feet along the arc of said curve, through a central angle of  $35^{\circ}10'32''$  (Chord bears N.  $17^{\circ}22'54''$  E. 139.00 feet); 2) N.  $00^{\circ}12'22''$  W. 832.92 feet to and along said Copper Canyon PUD Phase 2B and Copper Canyon PUD Phase 2A recorded September 13, 2007 as Entry No. 293388 in the Office of said Recorder; thence N.  $89^{\circ}45'56''$  E. 108.06 feet; thence N.  $00^{\circ}15'09''$  W. 2.66 feet to the **Point of Beginning**.

The above-described parcel of land contains 32.74 acres, more or less.



**EXHIBIT B**

**Tooele City Vicinity Map**





**EXHIBIT D**

**Interlocal Agreement between the District and Tooele City**

## INTERLOCAL AGREEMENT BETWEEN

### TOOELE CITY, UTAH AND

### 10<sup>TH</sup> AND MAIN PUBLIC INFRASTRUCTURE DISTRICT

THIS AGREEMENT is made and entered into as of this \_\_\_ day of \_\_\_\_\_, 2024, by and between TOOELE CITY, a municipal corporation of the State of Utah ("City"), and 10<sup>th</sup> AND MAIN PUBLIC INFRASTRUCTURE DISTRICT, a political subdivision of the State of Utah (the "District"). The City and the District are collectively referred to as the Parties.

#### RECITALS

WHEREAS, the District was organized to provide to exercise powers as are more specifically set forth in the District's Governing Document approved by the City on March 20, 2024 ("Governing Document"); and

WHEREAS, the Governing Document makes reference to the execution of an Interlocal Agreement between the City and the District; and

WHEREAS, the City and the District have determined it to be in the best interests of their respective taxpayers, residents and property owners to enter into this Interlocal Agreement ("Agreement").

NOW, THEREFORE, in consideration of the covenants and mutual agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

#### COVENANTS AND AGREEMENTS

1. Operations and Maintenance. The District shall dedicate the Public Improvements (as defined in the Governing Document) to the City or other appropriate jurisdiction in a manner consistent with the Approved Development Plan and other rules and regulations of the City and applicable provisions of the City Code. The District shall be authorized, but not obligated, to own Public Improvements not otherwise required to be dedicated to the City or other public entity, and all necessary equipment and appurtenances incident thereto.

2. Reserved.

3. Construction Standards. The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City and of other governmental entities having proper jurisdiction, as applicable. The District will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work.

4. Issuance of Privately Placed Debt/Municipal Advisor Certificate. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of a Municipal Advisor substantially as follows:

We are [I am] a Municipal Advisor within the meaning of the District's Governing Document.

We [I] certify that (1) the net effective interest rate to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

5. Inclusion Limitation. The District shall not include within any of their boundaries any property outside the District Area without the prior written consent of the City. By the Governing Document, the City has consented to the annexation or withdrawal of any area within the Annexation Area into or from the District Boundaries. The District shall not include within any of its boundaries any property inside the inclusion area boundaries without the prior written consent of the City except upon petition of the surface property owners of 100% of such property and/or 100% of registered voters within the area to be included, as applicable, as provided in Section 17D-4-201(3), Utah Code.

6. Overlap Limitation. Without the written consent of the City, the District shall not consent to the organization of any other public infrastructure district organized under the PID Act within the District Area which will overlap the boundaries of the District unless the aggregate mill levy for payment of Debt of such proposed districts will not at any time exceed the Maximum Debt Mill Levy of the District.

7. Initial Debt. On or before the effective date of approval by the City of an Approved Development Plan (as defined in the Governing Document), the District shall not: (a) issue any Debt; nor (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds; nor (c) impose and collect any fees used for the purpose of repayment of Debt.

8. Total Debt Issuance. The District shall not issue Limited Tax Debt in excess of Eighteen Million Dollars (\$18,000,000). This amount excludes any portion of bonds issued to refund a prior issuance of debt by the District. For any capital appreciation Debt issued by the District, only the par amount of such Debt at issuance (and not the value at conversion) of such Debt shall count against this amount. Any Assessment Debt or C-PACE Bonds do not count against the foregoing limitation and there is no limit to the amount of Assessment Debt or C-PACE Bonds the District may issue so long as such issuances are in accordance with the provisions of the applicable Assessment Act.

9. Bankruptcy. All of the limitations contained in this Governing Document, including, but not limited to, those pertaining to the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term have been established under the authority of the City to approve a Governing Document with conditions pursuant to Section 17D-4-201(5), Utah Code. It is expressly intended that such limitations:



(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Governing Document Amendment; and

(b) Are, together with all other requirements of Utah law, included in the "political or governmental powers" reserved to the state under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the "regulatory or electoral approval necessary under applicable non-bankruptcy law" as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

Any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term, shall be deemed a material modification of this Governing Document and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the City as part of a Governing Document Amendment.

10. Dissolution. Upon an independent determination of the District Board that the purposes for which the District was created have been accomplished, the District agrees to file a petition for dissolution, pursuant to the applicable state statutes. In no event shall a dissolution occur until the District has provided for the payment or discharge of all of its outstanding indebtedness and other financial obligations as required pursuant to state statutes.

11. Disclosure to Purchasers. Within thirty (30) days of the Office of the Lieutenant Governor of the State of Utah issuing a Certificate of Creation for the District, the Board shall record a notice with the recorder of Tooele County. Such notice shall (a) contain a description of the boundaries of the District, (b) state that a copy of this Governing Document is on file at the office of the City, (c) state that the District may finance and repay infrastructure and other improvements through the levy of a property tax; (d) state the Maximum Debt Mill Levy of the District; and (d) if applicable, stating that the debt may convert to General Obligation Debt and outlining the provisions relating to conversion. A copy of the notice shall further be provided to the City.

In addition, the Developer and the Board shall ensure that the Developer, homebuilders, commercial developers, and commercial lessors, as applicable, disclose the following information to initial resident homeowners, renters, commercial property owners, and/or commercial tenants:

- (1) All of the information in the first paragraph of this section;
- (2) A disclosure outlining the impact of any applicable property tax, in substantially the following form:

"Under the maximum property tax rate of the District, for every \$100,000 of taxable value, there would be an additional annual property tax of \$1,000 for the duration of the District's Bonds."
- (3) Such disclosures shall be contained on a separate colored page of the applicable closing or lease documents and shall require a signature of such end user acknowledging the foregoing.

12. Governing Document Amendment Requirement. Actions of the District which violate the limitations set forth in Section V.A.1-9 or Section VIII.B-G of the Governing Document shall be deemed to be material modifications to the Governing Document and the City shall be entitled to all remedies available under state and local law to enjoin such actions of the District.

13. Annual Report. The District shall be responsible for submitting an annual report to the City Manager's Office no later than 210 days after the close of the District's fiscal year, commencing fiscal year 2024, containing the information set forth in Section VIII of the Governing Document.

14. Reserved.

15. Maximum Debt Mill Levy.

(a) The "Maximum Debt Mill Levy" shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District for payment of Limited Tax Debt shall be 0.0100 per dollar of taxable value of taxable property in the District; provided that such levy shall be subject to adjustment as provided in Section 17D-4-301(8). Such Maximum Debt Mill Levy may also be used to pay administrative expenses of the District.

(b) Such Maximum Debt Mill Levy may only be amended pursuant to a Governing Document Amendment and as provided in Section 17D-4-202.

16. Maximum Debt Mill Levy Imposition Term. Each bond issued by the District shall mature within thirty-one (31) years from the date of issuance of such bond. In addition, no mill levy may be imposed for the repayment of a series of bonds after a period exceeding forty (40) years from the year of the first imposition of a mill levy with respect to such bond (the "Maximum Debt Mill Levy Imposition Term").

17. Notices. All notices, demands, requests, or other communications to be sent by one party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the address or by courier delivery, via United Parcel Service or other nationally recognized overnight air courier service, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To the District: 10<sup>th</sup> and Main Public Infrastructure District  
c/o York Howell  
Attn: M. Thomas Jolley, Esq.  
10610 South Jordan Gateway, Suite 200  
South Jordan, Utah 84095  
[tom@yorkhowell.com](mailto:tom@yorkhowell.com)  
(801) 527-1040

To the City: Tooele City  
c/o Office of Economic Development

Attn: Economic Development Director  
90 North Main Street  
Tooele, Utah 84074  
Phone: (435) 843-2169

All notices, demands, requests, or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with United Parcel Service or other nationally recognized overnight air courier service or three (3) business days after deposit in the United States mail. By giving the other party hereto at least ten (10) days written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

18. Amendment. This Agreement may be amended, modified, changed, or terminated in whole or in part only by a written agreement duly authorized and executed by the Parties hereto and without amendment to the Governing Document.

19. Assignment. Neither Party hereto shall assign any of its rights nor delegate any of its duties hereunder to any person or entity without having first obtained the prior written consent of the other Party, which consent will not be unreasonably withheld. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

20. Default/Remedies. In the event of a breach or default of this Agreement by any Party, the non-defaulting Party shall be entitled to exercise all remedies available at law or in equity, specifically including suits for specific performance and/or monetary damages. In the event of any proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party in such proceeding shall be entitled to obtain as part of its judgment or award its reasonable attorneys' fees.

21. Term. This Agreement shall terminate upon the earlier to occur of dissolution of the District or fifty (50) years from the date hereof.

22. Governing Law and Venue. This Agreement shall be governed and construed under the laws of the State of Utah.

23. Inurement. Each of the terms, covenants, and conditions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

24. Integration. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

25. Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the District and the City any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the District and the City shall be for the sole and exclusive benefit of the District and the City.

26. Severability. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

27. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.

28. Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

29. Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Governing Document.

[SIGNATURE PAGE TO INTERLOCAL AGREEMENT]

10<sup>TH</sup> AND MAIN PUBLIC  
INFRASTRUCTURE DISTRICT

By: \_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Secretary

APPROVED AS TO FORM: \_\_\_\_\_

TOOELE CITY

By: Debra Gill  
Chair Mayor

Attest:

By: Michelle Hill  
Its: City Recorder



APPROVED AS TO FORM: Roger E. Blum  
Tooele City Attorney



Exhibit C  
Notice of Boundary Action

**NOTICE OF IMPENDING BOUNDARY ACTION**

(10<sup>th</sup> and Main Public Infrastructure District)

TO: The Lieutenant Governor, State of Utah

NOTICE IS HEREBY GIVEN that the City Council of Tooele City, Utah (the "Council"), acting in its capacity as the creating entity for 10<sup>th</sup> and Main Public Infrastructure District (the "District"), at a regular meeting of the Council, duly convened pursuant to notice, on March 20, 2024 adopted a *Resolution Providing for the Creation of a Public Infrastructure District*, a true and correct copy of which is attached as APPENDIX "A" hereto and incorporated by this reference herein (the "Creation Resolution").

A copy of the Final Local Entity Plat satisfying the applicable legal requirements as set forth in Utah Code Ann. §17-23-20, approved as a final local entity plat by the Surveyor of Tooele County, Utah, is attached as APPENDIX "B" hereto and incorporated by this reference. The Council hereby certifies that all requirements applicable to the creation of the District, as more particularly described in the Creation Resolution, have been met. The District is not anticipated to result in the employment of personnel.

**WHEREFORE**, the Council hereby respectfully requests the issuance of a Certificate of Incorporation pursuant to and in conformance with the provisions of Utah Code Ann. §17B-1-215.

DATED this March 20, 2024.

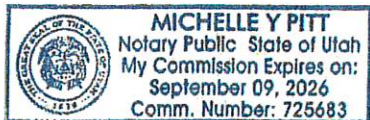
**CITY COUNCIL OF TOOELE CITY, UTAH,**  
acting in its capacity as the creating  
authority for 10<sup>TH</sup> AND MAIN PUBLIC  
INFRASTRUCTURE DISTRICT

By: Justin Brady  
AUTHORIZED REPRESENTATIVE

**VERIFICATION**

STATE OF UTAH            )  
                                  ) :ss.  
COUNTY OF TOOELE    )

SUBSCRIBED AND SWORN to before me this 20<sup>th</sup> day of March, 2024.



Michelle Pitt  
NOTARY PUBLIC





